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20/(1	COMPETEL AND
	January 7, 1966 Ref: 127/PLI-82
25X1	P. O. Box 6/88 Fort Davis Station Washington, D. C. 20020
25X1	Attention: Reference:
	Subject: Confirmation of Presentation
	Gentlemen:
25X1 25X1	This is to confirm the presentation given to members of your organization on December 17, 1965. The conclusion drawn from the presentation was that requires an additional to complete both printers. (Attachment 2) This figure is broken down into additional cost and additional fee. In support of the request, has duplicated with small mathematical corrections, the charts presented on December 17, 1965 and has enclosed them as Attachments 1, 2, 3, and 5.
	A brief summary and explanation of each attachment should be helpful in understanding our request for additional funds.
·	25X1

NGA Review Complete

This received contains information affecting the national defense of the United Clates within the meaning of the espionage laws, Title 18, U.S.C., sections 703 and 724, the transmission or reveiation of which in any manner to an unsuithorized garson is prohibited by law."

CONTINENTAL

	Page 2 January 7, 1966 Ref: 127/PLI-82	
		25X
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	Attachment No. 2 - Program Summary	
X1 X1	The basis of this chart is the division of the Contract's Total Estimated Cost into the figures as listed: Printer I - and Printer II - Since the contract did not specify the division of the Estimated Cost by printer, these figures were provided by your technical monitor, John R., during our December 7, 1965 meeting.	25X

Further breakdowns and explanations of Change In Scope, Overrunand the Additional Fee figures are listed in Attachments 3-6. This motorial contains information affecting the national defense of the United States within the meaning of the espionage laws, Title 18, U. S. 6, sections 3 : CIA-RDP78804779A00 16000 2001 5-8 outhorized person is prehibited by law.

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	Page 3 January 7, 1966 Ref: 127/PLI-82	
	The percentages of overrun were calculated by dividing the overrun figures by the Contract Estimated Costs plus the Change In Scope Costs.	
	Attachment 3 - Printer I - Additional Cost Details	
	Attachment 4 - Printer I - Additional Fee Details	
	The Spare Platens, Frame Edge Sensor and the deletion of RFI have been detailed in the explanation of Attachment I above. However, I would like to review once again our reasons for claiming that the Frame Edge Sensor problem is a legitimate Change In Scope.	
	The minimum or maximum density to which the Frame Edge Sensor is required to respond is not specified by the contract's specification or by the Approved Design Plan. In fact, the Approved Design Plan, page 50, the last sentence of Paragraph 3.6 states "Frames skipped for low contrast or presence of splices will be printed manually." Therefore, due to the	·
25X1	lack of a specific description, is required only to fabricate to minimum standards. However, as mentioned in previous correspondence, did not assume this attitude, rather we requested on numerous occasions that typical film	25X1
DEV4	be provided. When film was not provided, and our sub-contractor developed a film sensor, which would sense frames. This frame sensing device was unacceptable to your organization. was then informed that the frame sensor must be	25X1
25X1	capable of differentiating film frames with only a .2 differential in density. This is clearly a Change In Scope.	
25X1 25X1	proceeded to develop the frame sensor. However, when the new frame sensor into the machine, it was discovered that our subcontractor's transport system	
25X1	design for the original frame sensor was not compatible. Therefore, believes that request for an Increase In Scope is also a legitimate request. Attachment 7 details the cost relating to the transport modification.	25X1
25X1	The notation relating to the overrun is basically self- explanatory. The was expended in the area of addi- tional research and liaison in support of	25X1

Attachment 5 - Printer II - Additional Cost Details

Attachment 6 - Printer II - Additional Fee Details

The details relating to Change In Scope dollars have been spelled out in previously submitted correspondence, i. e.,

25X1	Approved For Classe 2005/06/23 : CIA-RDP78B04770 01600020015-8	
	Page 4 January 7, 1966 Ref: 127/PLI-82	
	Letters Ref: 11/PLI-82, dated August 31, 1965, Ref: 22/PLI-82, dated September 14, 1965, Ref: 34/PLI-82, dated October 8, 1965 and therefore will not be discussed.	
	Supporting information relating to the Stop Work charges and the Start Work charges has been enclosed as Attachments 9 and 10.	
25X1	The notation relating to the overrun is a complete explanation. underestimated the drafting effort.	
	It is our belief that the ten attachments will clarify and give ample support to our request for additional funds. It is also requested that the Stop Work Order on Printer II which has been in existence for 90 days, be lifted to permit continuation and completion of the contract.	
25X1	Another reminder is that has still not received a reply to our letter Ref: 46/PLI-82, October 20, 1965, in which we proposed transferring the film cleaner developed for Printer II, and now no longer required, to another contract.	
25X1	In conclusion, is most anxious to resolve the funding problem on this contract in the very near future and certainly prior to the delivery of Printer I. Therefore, we urge that a meeting be held for the purpose of resolving these outstanding problems. We recommend that this meeting be held sometime between the 20th and the 28th of January, 1966.	
25X1 25X1	Should any further questions arise, please contact Supervisor, Contract Administration, at AC 716, Gl 2-1810,	25X1
	Sincerely yours,	
(Assistant Vice President	25X1

Phile meleval contains information affecting the national defense of the United States within the meaning of the espionage laws, Title 13, U. S. C., sections 793 and 734, the transmission or revelation of which in any manner to an united by law."

Next 9 Page(s) In Document Exempt